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MINISTRY OF HOME AFFAIRS

NOTIFICATION

*New Delhi, the 20th June 1959*

ALL INDIA SERVICES (COMMUTATION OF PENSION) REGULATIONS, 1959

**G.S.R. 714.**—In pursuance of rule 25 of the All India Services (Death-cum-Retirement Benefits) Rules, 1958, the Central Government, after consultation with the Governments of the States concerned, hereby makes the following regulations, namely:—

The All India Services (Commutation of Pension) Regulations, 1959.

1. **Short title.**—These regulations may be called the All India Services (Commutation of Pension) Regulations, 1959.

2. **Definitions.**—(1) In these regulations, unless the context otherwise requires—

- (a) 'the Government' means the Government on whose cadre the member of the Service was borne.
- (b) 'Medical Board' means a medical board set up by the Government.
- (c) 'member of the Service' means a member of the Indian Administrative Service or the Indian Police Service, as the case may be.
- (d) 'Retirement Benefits Rules' means the All India Services (Death-cum-Retirement Benefits) Rules, 1958.

(2) All other words and expressions used in these Regulations but not defined shall have the meanings respectively assigned to them in the Retirement Benefits Rules.

3. **Limit on commutation.**—(1) A member of the Service shall be entitled, subject to the provisions of these Regulations, to commute for a lump payment any portion not exceeding one third of the pension to which he was entitled under the Retirement Benefits Rules.

(2) Such commutation shall be subject to the following conditions, namely:—

- (a) if the amount of annual pension is Rs. 2,057 or more, not less than Rs. 1,714 shall remain uncommuted, and
- (b) if the amount of annual pension is less than Rs. 2,057, not more than Rs. 343 shall be commuted, and not less than Rs. 1,371 shall remain uncommuted:

Provided that in calculating the amount of annual pension for the purposes of clauses (a) and (b) of this sub-regulation, there may be added to it the uncommuted portion of any permanent extraordinary pension granted to a member of the Service.

**4. Commutation of anticipatory pension.**—Subject to the provisions of these regulations, a member of the Service shall be entitled to commute an anticipatory pension that may be granted to him under rule 27 of the Retirement Benefits Rules. The commuted value of such pension shall be paid to him only after obtaining from him a declaration in the form set forth in Schedule 'A'.

**5. Application for commutation.**—(1) An application for commutation of pension shall be addressed to the Government. On receipt of an application for commutation of pension the Government shall transmit to the applicant a copy of the Account Officer's Certificate of the lump sum payable on commutation in the event of his being reported by a medical board to be a fit subject for commutation and shall at the same time instruct him to appear for examination before the medical board within three months of its order or if he has applied for commutation in advance of the date of his retirement, within three months of that date but in no case, earlier than the actual date of retirement.

(2) The intimation for medical examination shall constitute the administrative sanction to commutation but shall lapse if the medical examination does not take place within the period prescribed in the sanctioning order. If the applicant does not appear for examination before the said medical board within the prescribed period the Government may, at its discretion, renew the administrative sanction for a further period of three months without obtaining a fresh application for commutation of pension.

(3) The applicant may withdraw his application by a written notice to the Government at any time before the date of the medical examination:

Provided that if the medical board directs that his age for the purpose of commutation shall be assumed to be greater than the actual age, the applicant may withdraw application by written notice despatched within two weeks from the date on which he receives information of the revised sum payable on commutation or if the sum is already stated in the sanctioning order, within two weeks from the date on which he receives intimation of the finding of the medical board and if the applicant does not withdraw his application in writing within the period of two weeks prescribed above, he shall be assumed to have accepted the sum offered.

(4) If the applicant requests within the prescribed period that the amount to be commuted might be reduced, this request is tantamount to a withdrawal of his application for commutation; such a request shall be treated as a new application.

(5) Subject to the provision contained in regulation 8 and to the withdrawal of an application under the proviso to sub-regulation (3), the commutation shall become absolute, (i.e. the title to receive the commuted portion of the pension shall cease and the title to receive the commuted value shall accrue), on the date on which the medical board signs the medical certificate.

**6. Second medical examination.**—Where a pensioner who applied for commutation has once been rejected on the recommendation of the medical board as not being a fit subject for commutation or after he has once declined to accept commutation on the basis of an addition of years to his actual age recommended by such board, he may be allowed to present himself once more before a medical board for medical examination with a view to the revision of the original finding at his own cost, provided that an interval of not less than one year shall elapse between the date of the first medical examination and the date of such subsequent examination. The medical board shall in such a case be furnished with a copy of the report of the medical board which had previously examined the pensioner.

**7. Payment of commuted value.**—(1) Payment of the commuted value shall be made to the applicant as expeditiously as possible but in the case of a member of the Service (hereinafter referred to as the impaired member) in whose case the medical board has directed that his age for the purposes of commutation shall be assumed to be greater than his actual age, no payment shall be made until either a written acceptance of commutation has been received or the period within which the application for commutation may be withdrawn has expired. Whatever the date of actual payment, the amount paid and the effect upon the pension shall be the same as if the commuted value were paid on the date on which the commutation became absolute. If the commuted portion of the pension has been drawn after the date on which the commutation became absolute, the amount so drawn shall be deducted from the amount payable on commutation.

(2) The lump sum payable on commutation shall be calculated in the case of members of the service whose commutation of pension took effect before 1st February 1957 in accordance with the table given in Schedule B(a) and in any other case in accordance with the table given in Schedule B(b).

*Explanation.*—For the purpose of this Regulation the age in the case of the impaired member shall be assumed to be such age, not being less than the actual age, as the medical board may direct.

(3) In the event of the table of present values applicable to an applicant having been modified between the date of administrative sanction to commutation and the date on which the commutation is due to become absolute, payment shall be made in accordance with the modified table but it shall be open to the applicant if the modified table is less favourable to him than that previously in force to withdraw his application by notice in writing despatched within fourteen days of the date on which he receives notice of the modification.

(4) If the pensioner dies on or after the date on which the commutation became absolute but before receiving the commutation value, this value shall be paid to his legal heirs.

**8. Cancellation of sanction for commutation in certain cases.**—If the applicant makes any statement found to be false within his knowledge or wilfully suppresses any material fact in answer to any question, written or oral, put to him in connection with his medical examination, the Government may cancel the sanction at any time before payment is actually made and such a statement or suppression may be treated as grave misconduct for the purpose of rule 3 of the Retirement Benefits Rules.

**9. Miscellaneous.**—(1) The sanction and payment of commuted value and matters incidental thereto shall be regulated by such procedural instructions as may be issued from time to time by the Central Government.

(2) Application for commutation, administrative sanction and report of the medical board shall be made in such form as may be prescribed by the Central Government.

(3) Any fees payable to the medical board for medical examination in connection with commutation of pension shall be borne by the member of the Service desiring such commutation.

#### SCHEDULE A

(Regulation 4)

#### FORM OF DECLARATION

Whereas the President of India through \_\_\_\_\_ (here state the designation of the officer sanctioning the commutation) (hereinafter called the Government) has consented, provisionally, to advance to me the sum of Rs. \_\_\_\_\_ being the commuted value of a part of the anticipatory pension in anticipation of the completion of the enquiries necessary to enable the Government to find the amount of my pension and consequently the part of that pension that may be commuted, I hereby acknowledge that in accepting the advance, I am fully conversant that the commuted value now paid is subject to revision on the completion of the necessary formal enquiries and I have no objection to such revision and I am aware that the provisional amount now to be paid to me as the commuted value of the part of anticipatory pension may exceed the amount to which I may be eventually found entitled. I further promise and undertake to refund and pay on demand any amount advanced to me in excess of the amount to which I may be eventually found entitled and in default the Government shall be at liberty to have the said excess amount realised from the subsequent pension payable to me.

Witnesses to signature (with address)

1. \_\_\_\_\_
2. \_\_\_\_\_

Signature \_\_\_\_\_  
 Station \_\_\_\_\_  
 Date \_\_\_\_\_

SCHEDULE B  
(Regulation)

COMMUTATION TABLE

(a) Table in respect of members of Service whose commutation of pension took effect before 1-2-57

Age next birthday	Commutation value expressed as number of year's purchase	Age next birthday	Commutation value expressed as number of year's purchase
18	22.79	59	10.36
19	22.60	60	9.97
20	22.40	61	9.58
21	22.20	62	9.20
22	21.99	63	8.82
23	21.79	64	8.45
24	21.57	65	8.08
25	21.35	66	7.72
26	21.13	67	7.37
27	20.90	68	7.02
28	20.66	69	6.68
29	20.42	70	6.35
30	20.18	71	6.03
31	19.93	72	5.72
32	19.67	73	5.42
33	19.41	74	5.12
34	19.14	75	4.84
35	18.86	76	4.57
36	18.58	77	4.31
37	18.29	78	4.06
38	17.99	79	3.83
39	17.69	80	3.61
40	17.38	81	3.40
41	17.07	82	3.21
42	16.74	83	3.03
43	16.41	84	2.88
44	16.07	85	2.75
45	15.73	86	2.63
46	15.37	87	2.51
47	15.01	88	2.39
48	14.64	89	2.28
49	14.27	90	2.17
50	13.90	91	2.05
51	13.51	92	1.93
52	13.13	93	1.79
53	12.74	94	1.62
54	12.34		
55	11.95		
56	11.55		
57	11.15		
58	10.76		

NOTE.—This table is based on a rate of interest of 3 percent per annum.

(b) Table in respect of members whose commutation of pension took effect after 1-2-1957.

Age next birthday	Commutation value expressed as number of year's purchase	Age next birthday	Commutation value expressed as number of year's purchase
18	20.94	59	9.99
19	20.78	60	9.62
20	20.62	61	9.26
21	20.46	62	8.90
22	20.29	63	8.55
23	20.11	64	8.19
24	19.94	65	7.85
25	19.76	66	7.51
26	19.57	67	7.17
27	19.38	68	6.84
28	19.18	69	6.52
29	18.98	70	6.20
30	18.77	71	5.90
31	18.56	72	5.60
32	18.34	73	5.31
33	18.11	74	5.02
34	17.88	75	4.75
35	17.64	76	4.49
36	17.40	77	4.24
37	17.15	78	4.00
38	16.89	79	3.77
39	16.63	80	3.55
40	16.36	81	3.35
41	16.08	82	3.16
42	15.80	83	3.00
43	15.50	84	2.85
44	15.20	85	2.72
45	14.89	86	2.60
46	14.58	87	2.48
47	14.25	88	2.37
48	13.92	89	2.26
49	13.59	90	2.15
50	13.25	91	1.04
51	12.90	92	1.92
52	12.54	93	1.78
53	12.19	94	1.61
54	11.83		
55	11.46		
56	11.09		
57	10.73		
58	10.36		

NOTE.—This table is based on a rate of interest of 3.5 percent per annum.

[No. 1/2/58—AIS(III)]

L. M. NADKARNI,  
Jt. Secy.

